Nixon to delay '73 return to obey IRS on back taxes

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Los Angeles (AP)—President Nixon has been granted an extension in filing his 1973 income tax return because revisions are needed to comply with the recent Internal Revenue Service ruling on what deductions he can claim, his tax attorney said yesterday.

Arthur Blech, the attorney, said the President's tax return "has to be reworked" to be consistent with the reasoning used by the Internal Revenue Service in its announcement Wednesday that Mr. Nixon owed more than $465,000 in back taxes and interest for 1969-1972. Mr. Nixon has agreed to pay the entire amount.

The Internal Revenue Service report disallowed many deductions claimed by the President. "It changes our position on many issues," Mr. Blech said in an interview. "The 1973 return just can't be done in time. I still haven't received a copy of the IRS report."

Mr. Blech emphaized that extensions in filing are frequently granted by the Internal Revenue Service.

Mr. Blech said he agreed with a Columbia Broadcasting System News report Friday tha Mr. Nixon may be able to write off his entire 1973 income as deductible.

Though the President has agreed to pay the entire Internal Revenue Service assessment for 1969 through 1972, the statute of limitations has passed for 1969 and that part of the payment could be considered a gift to the government, Mr. Blech said.

Tax laws allow a person to deduct such gifts up to 50 per cent of his adjusted gross income. Thus the President could deduct about $134,000 for paying what the Internal Revenue Service says he failed to pay in 1969.

"The man is entitled to the deduction," said Mr. Blech. "Whether he will elect to use it is another question. He may decide it's not wise to have a year where he doesn't pay any income tax. He may simply say, 'To hell with it, I'll pay my regular tax."